

# THE MALTA CHAMBER

## FEEDBACK TO CONSULTATION

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### Malta Labour Migration Policy

**Presented to :** Ministry for Home Affairs, Security and Work

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**Version :** FINAL

## A. INTRODUCTION

The Malta Chamber (TMC) acknowledges the recently launched public consultation on the **Malta Labour Migration Policy (MLMP)** as a significant step forward in addressing Malta's workforce challenges. The policy includes several recommendations that align with The Malta Chamber's vision for sustainable economic development.

To achieve the MLMP's objectives it is essential to strengthen the labour market by:

- reducing public sector employment,
- offering more incentives for skill development and retraining,
- providing greater support for digitalization investments to boost productivity.

All policies need to be aligned and fully integrated into the Malta Vision 2050, to ensure a holistic and long-term strategy for the nation's workforce and sustainable economic growth.

While The Malta Chamber concurs with a considerable number of aspects of the policy, some recommendations require clarification and adjustment to ensure their effective implementation. Some need to be reconsidered and designed differently.

In this context, The Malta Chamber is presenting its thoughts on each one of the thirty-two recommendations put forward in the MLMP following consultation across its Economic Groups (Manufacturing; Importers, Retailers & Distributors; and Services), its Business Sections and all of its members.

The Malta Chamber remains open to further dialogue on the feedback that it is putting forward.

## B. THE MALTA CHAMBER'S FEEDBACK ON THE RECOMMENDATIONS

REFERENCE NO	SECTION & RECOMMENDATION	TMC's Feedback
SECTION 5.1 RETENTION & STABILITY		
Recommendation 1	<p><b>Minimum termination rates allowed prior to application</b></p> <p><i>Stricter employer eligibility criteria based on turnover.</i></p>	<p>1. Clarification is required on <b>what constitutes the “total workforce”</b>.</p> <p>a. Is it calculated on the number of employees <b>employed directly with the company or does it also include subcontracted workers</b> from temping and outsourcing agents? <u>TMC believes that it should be calculated on the number of employees directly employed with the company.</u> Workers subcontracted through temping or outsourcing agents should pertain to the respective temping or outsourcing agent.<sup>1</sup></p> <p>b. Clarity is also required on <b>group companies</b>. Will companies within a group will be considered as a group or as single entities? <u>TMC believes that group companies should be considered as single entities.</u></p>

<sup>1</sup> The Engagement and Termination Form is always tied to the company sourcing the employee. This means that when temping or outsourced workers are subcontracted to a third party company, the Engagement and Termination Form is tied to the temping/outsourcing company. Where the employer is both the sourcer and the employer, the Engagement and Termination form is tied to the employer company.



		<ul style="list-style-type: none"><li>c. With respect to <b>intercompany and intergroup movements</b>, <u>TMC is of the understanding that these are not included in the termination count and should not be considered as new applications.</u></li><li>d. With respect to <b>redundancies due to loss of business and/or business transformation</b>, <u>TMC believes that these should not be included in the termination count.</u></li><li>e. There are a number of other instances which <u>TMC believes should not be included in the termination count/turnover figures</u> – these are the <b>fixed term contracts which have been completed, internships, student placements, retirements and deaths.</b></li></ul> <p>2. Clarification is required on <b>what constitutes “terminations”</b>.</p> <ul style="list-style-type: none"><li>a. Clarity is required is with respect to <b>termination during the probation period</b>. . <u>TMC feels that termination during probation, whether triggered by the employer or the employee, should be excluded from the termination count.</u></li><li>b. Clarity is also required with respect to <b>terminations on a good and sufficient cause</b>, both in the case of <b>fixed term contracts and indefinite contracts</b>. <u>TMC feels that terminations for a good and sufficient cause should be excluded from the termination count.</u></li></ul>
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		<p>c. With respect to <b>seasonal workers</b>, currently TCNs seeking seasonal employment must maintain their primary residence outside Malta and can work under fixed-term contracts for up to nine months within a twelve-month period. <u>TMC is therefore assuming that these workers are excluded from the terminations count.</u></p> <p>3. <b>A one-size-fits all for every industry sector should be avoided.</b> The policy is making an exemption only for occupations <i>“that fall under the health sector and the care of persons with disability and the elderly”</i>. <u>TMC believes that there are other industries that call for an exemption whereas there are industries which merit different applicability criteria and different minimum termination rates (for eg: those that constantly experience significant and persistent shortages, and those that experience seasonality)</u> – manufacturing, hospitality, waste management, transport services and fish farming, amongst others.</p> <p>4. The policy does not include <b>multi-season renewals</b>. <u>TMC would like to propose the introduction of multi-season renewals.</u> Multi-season renewals will help in retaining experienced workers and offer a pathway for temporary workers to transition into longer term employment, possibly even within other industries/economic sectors.</p>
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		<p>5. Clarity is required on exemptions that will be <b><i>“recommended and endorsed by Malta Enterprise”</i></b>.</p> <ul style="list-style-type: none"><li>a. What are the criteria that Malta Enterprise will base its decision upon?</li><li>b. What methodology will be applied by Malta Enterprise?</li><li>c. What will Malta Enterprise’s exemption extend to? Economic sectors, individual companies or individual workers?</li></ul> <p><u>TMC will give its feedback on the above once clarity is obtained. However, as a general rule, TMC prefers clear guidelines and rules which do away with discretion that might lead to subjectivity and an unlevel playing field.</u></p>
Recommendation 2	<p><b>Redundancies</b></p> <p><i>If an employer has affected a redundancy of any worker of any nationality (including Maltese nationals) due to loss of business for the same designation during the previous 12 months, their application will be rejected.</i></p>	<p>TMC is in agreement with Recommendation 2, provided that redundancies due to <b>loss of business</b> and/or <b>business transformation</b> are not included in the termination count. One also needs to take into consideration, <b>redundancies caused by external economic shocks</b> (such as COVID) versus those resulting from internal mismanagement. Also, <b>prohibitions on employing TCNs should be suspended whilst subject to appeal.</b></p>
Recommendation 3	<p><b>Renewal period up from one to two years</b></p> <p><i>Following the completion of one year of engagement and provided that the TCN has</i></p>	<p>TMC is in agreement with Recommendation 3. However, TMC would like to draw attention to the below:</p> <ul style="list-style-type: none"><li>a. The <b>Approval in Principle and visa issuance processes are excessively lengthy</b>, with some cases taking over a year to conclude, impacting negatively on productivity, planning and</li></ul>



	<p><i>been offered a contract with a validity period that is not less than two years.</i></p> <p><i>Work permits under the KEI, SEI, the Blue Card Directive and the Skilled Occupation List will be automatically renewed for 3 years.</i></p>	<p>employees themselves. <u>TMC insists on the importance of simplifying processes to do away with unnecessary bureaucracy and excessive paperwork, as well as to reduce processing time.</u></p> <p>b. In conjunction with the above point, <u>TMC is of the opinion that Authorities should have a Quality Service Charter in which they commit to clear and efficient timeframes for processing permits.</u> Ideally permits should be issued within a maximum of eight weeks to ensure efficiency and predictability for both applicants and employers.</p> <p>c. Having <b>multiple highly skilled schemes is creating confusion</b> among government officials, employers and TCNs. <u>TMC suggests transforming the KEI into a Maltese Blue Card for skilled professionals</u> whose criteria would be based on (i) a minimum salary requirement of €40,000 with an exceptional provision of €35,000 for specific STEM professionals where there is a proven shortage; (ii) a specified maximum residency duration which can be renewed after application for a permanent settlement; (iii) facilitation of relocation of family members; (d) possibility to change employer within the country within the same profession; and € a less cumbersome application process.</p> <p>d. With respect to the <b>Skilled Occupation</b> List, <u>TMC feels that it should be reviewed periodically together with industry representatives</u> so as to avoid lacunae.</p>
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Recommendation 4	<p><b>Higher fees for first-time permits, lower fees for renewals</b></p> <p><i>Currently the fee for submitting a first-time single permit application and a renewal of a single permit is set at €300.</i></p> <p><i>The first-time single permit application will increase to €600 whereas the renewal of the single permit will go down to €150 annually.</i></p>	<p>TMC is in agreement with Recommendation 4, provided that the following suggestion is taken into consideration. <u>TMC believes that there should be a separate fee structure for those with seasonal work permits.</u> It should be a structure that facilitates a renewal fee versus a new Single Permit Application, upon commitment by the employee to return to the same employer.</p> <p>Clarity is required in those instances where a TCN employee <b>changes employer. Would that application be considered a renewal or a new permit?</b></p>
Recommendation 5	<p><b>Enhancing direct access to TCN recruitment</b></p> <p><i>A comprehensive approach, including the development of specialised training programs designed to enhance Maltese firms' capabilities in directly accessing the TCN application process.</i></p>	<p>TMC is in agreement with Recommendation 5, whilst also acknowledging the role for licenced temping and outsourcing agencies that operate ethically.</p> <p><u>TMC would like to put forward the following recommendations to be taken into consideration when developing the "comprehensive approach":</u></p> <ul style="list-style-type: none"><li>a. Investment in a <b>user-friendly online platform</b> which streamlines and simplifies the application processes with real-time tracking of the application with fast-track mechanisms for companies that qualify as "Exemplary Employers" in terms of Recommendation 32.</li></ul>





		<p>b. Setting up a <b>dedicated expert help desk within JobsPlus to address all queries</b>, both those raised by employers and those raised by the applicants. Queries should <b>be answered openly and consistently</b>.</p> <p>c. Development and delivery of <b>training workshops and comprehensive multilingual online resources focusing on the process and procedures</b>.</p> <p>d. A simple and easy to use/find <b>system which flags any updates and/changes to laws and procedures</b> that may be introduced along the way.</p>
<b>SECTION 5.2</b> <b>PROTECTION OF EMPLOYEE RIGHTS AND ENHANCING WORKING CONDITIONS</b>		
Recommendation 6	<p><b>Desk- investigations and possible disqualifications</b></p> <p><i>Conducting more frequent spot checks and audits to ensure strict adherence to laws and regulations.</i></p> <p><i>Introduction of a disqualification mechanism and administrative penalties</i></p> <ul style="list-style-type: none"><li>• <i>Prompt submission of engagement forms</i></li><li>• <i>Prohibition of financial compensation requests by employers</i></li></ul>	<p>TMC is in agreement with Recommendation 6. However, TMC would like to draw attention to the below.</p> <p>1. Clarification is required on <b>what constitutes the “financial compensation”</b>. Employers often incur significant expenses to cover travel and family reunification costs for employees relocating to Malta. <u>TMC believes that if an employee resigns or is terminated for good and sufficient cause before the expiration of their permit, the employer should be entitled to recover, at a minimum, a pro-rata portion of these costs, including the application expenses.</u></p>



	<ul style="list-style-type: none"><li>• <i>Compliance with the Persons with Disability (Employment) Act</i></li><li>• <i>Adherence to Conditions of Employment</i></li><li>• <i>Compliance with Employment-Related Regulations</i></li><li>• <i>Failure to meet legal requirements.</i></li></ul>	<ol style="list-style-type: none"><li>2. The definition of <b>what constitutes a “disability”</b> needs to be revisited. <u>TMC is of the opinion that it should include both physical and intellectual disabilities.</u></li><li>3. One of the hurdles faced by employers when trying to recruit people with a disability, is actually finding the people who are officially recognised as such in terms of the law, the reason being that the <b>information is not readily available and accessible by employers.</b> <u>TMC is of the opinion that employers should have access to a Disability Register whilst respecting GDPR protocols.</u></li><li>4. It is important to ensure a fair balance between employers and employees. For example, the <b>employer does not have an appeal mechanism through the Jobsplus Act to contest decisions taken by Jobsplus.</b> <u>TMC believes that the introduction of this appeal mechanism will create a fairer level and also avoid further litigation through other venues.</u></li><li>5. The current three-working-day appeal period from Identità’s decisions is too short for meaningful preparation. <u>TMC recommends extending it to seven days to ensure fairness and accessibility.</u></li></ol>
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		<p>6. The <b>current two-day timeframe for employers to submit engagement forms is restrictive</b>. <u>TMC recommends extending this timeframe to a five-day window. Also, the time window should explicitly begin from the date the Identita` card is issued</u>, and not from the date of completion of the biometric procedures as there is often a significant delay between the completion of biometric procedures and the actual issuance of the card by Identità.</p> <p>7. Currently there is a <b>gap in the first three months following a TCN's arrival in Malta, between the issue of the Approval in Principle and the actual permit</b> . <u>TMC proposes the introduction of a 3-month temporary work permit to be issued together with Identity Malta's approval in principle</u>. This would provide TCNs with the right to work for the first 3 months following their arrival in Malta while the rest of the process for the granting of an employment licence is completed. The employer would be required to see that the employee goes through the health screening process and submits a rental agreement within this 3-month grace period.</p> <p>8. <u>TMC would like to ensure alignment of full-time and part-time jobs undertaken by TCNs to prevent exceeding legal working hours</u>, <b>avoiding exploitation by unethical employers</b>, due to low wages and poor conditions, safeguarding their rights and overall health and mental wellbeing.</p>
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Recommendation 7	<p><b>Consistent compliance with existing Labour Market Needs Test policies</b></p> <p><i>Employers found attempting to circumvent the conditions that led to their successful application will be disqualified from further application until the situation is rectified.</i></p> <p><i>For the purpose of facilitating compliance, a comprehensive database of TCNs job postings will be created – this will be used to verify that the roles assigned to these individuals correspond precisely with the work contract upon which the employment licence was granted.</i></p>	<p>TMC is in agreement with Recommendation 7. The following points should be taken into consideration.</p> <ol style="list-style-type: none"> <li><b>1. Time-sensitive businesses in Malta need to respond to international demands</b> within weeks, especially for provision of highly skilled staff. <u>TMC suggests implementing an annual framework registration for a super-fast track approval mechanism to support such companies effectively.</u></li> <li><b>2. More clarity is required for recruitment agencies.</b> Are they expected to advertise all of the roles ‘just in case’ their clients needs to hire a TCN?</li> </ol>
Recommendation 8	<p><b>Salary payment method for newly engaged TCNs</b></p> <p><i>As of 2025, all salary payment to TCNs must be conducted exclusively via bank transfers – applicable to new applications and ‘change of employers’ starting in 2025.</i></p>	<p>TMC agrees with Recommendation 8. TMC would also like to add the following observations.</p> <ol style="list-style-type: none"> <li><b>1. We are already in 2025 and this policy is still at public consultation stage.</b> <u>TMC is assuming that this requirement will come into force from the month following closure of the public consultation and official communication of the implementation date thereof.</u></li> </ol>



		<p>2. Recommendation 8 should also apply in the case of <b>renewals</b>. <u>TMC is of the opinion that this should be applied following a grace period of 6 months to allow current TCNs who do not have a bank account to make the necessary arrangements.</u></p> <p>3. In the case of a TCN <b>not managing to open a bank account in time for the first scheduled payment</b>, will there be alternative solutions available to the employer?</p>
Recommendation 9	<p><b>Extension of grace period for TCNs whose employment has been terminated</b></p> <p><i>Under the current legal framework, a single permit owner whose employment is terminated is mandated to leave Malta immediately.</i></p> <p><i>A more flexible approach is being introduced – TCNs will be granted a 30-day period following employment termination during which they may legally remain in Malta and seek new employment; and an additional 30 days if they demonstrate sufficient financial resources to support themselves.</i></p>	<p>TMC agrees with Recommendation 9. This is a positive measure which enables TCNs find alternative employment vs sourcing new labour externally. However, <b>clarity is required on whether moving to a similar job (ie not necessarily with the exact same title as the previous) would require a fresh application/permit/review.</b></p>



Recommendation 10	<p><b>Amendment to restrict single permit applications for non-work visa holders</b></p> <p><i>TCNs legally present in Malta on visas that do not permit employment will not be granted a single permit.</i></p> <p><i>(Currently they remain in Malta pending a decision on their application, even after their visa or allowable stay under the visa waiver expires. As a result, if their single permit application is approved, it may later be revoked once authorities become aware that the TCN was residing in Malta irregularly.)</i></p>	<p>TMC agrees with Recommendation 10. However, TMC would like to put forward the following suggestions to improve on the proposed Recommendation 10.</p> <ol style="list-style-type: none"><li>1. <u>TMC believes that there should also be a single, open and well communicated policy for student visas longer than 90 days tied to Jobsplus.</u> This could be used to attract youths and students seeking international work experience. Many countries attract international students by offering them work permits as well as benefits post-graduation – this helps them <b>retain these students post-graduation</b>. Malta should <b>prioritize promoting higher education to develop and retain talent within the country.</b></li><li>2. Efficiency and efficacy remain key. <u>TMC advocates investing in systems and revisiting current processes to ensure faster processing times while also retaining quality, integrity and accuracy throughout the whole process.</u></li><li>3. The current seafarer visa, may at times be used, to bypass the system for employment within the maritime industry. <u>TMC recommends looking into the seafarer visa process/requirements and amending it as required to ensure that it serves its intended scope.</u></li></ol>
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Recommendation 11	<p><b>Interim permits for TCNs from visa waiver countries</b></p> <p><i>Introduces a nuanced approach for TCNs from visa waiver countries applying for single permits, provided that they apply within 60 days of entering the EU.</i></p> <p><i>Individuals applying between 61 and 90 days after entering the EU will be required to await the application's outcome from outside the EU .</i></p>	TMC agrees with Recommendation 11.
Recommendation 12	<p><b>Partners and families</b></p> <p><i>Two distinct categories of individuals will be granted special consideration:</i></p> <p><i>(i) partners of Maltese nationals, and</i></p> <p><i>(ii) parents of Maltese nationals who are under 23 years of age.</i></p> <p><i>Their residence permit will explicitly include a notation confirming their entitlement to seek employment, and they will be exempt from the standard single permit process.</i></p>	<p>TMC agrees with Recommendation 12. However, attention is being drawn to the following:</p> <ol style="list-style-type: none"><li>1. Clarity is required on what defines the term <b>“partner”</b>.</li><li>2. Clarity is required on <b>whether family members will be eligible for citizenship and pensions</b>, and if yes, how and under what conditions/circumstances.</li><li>3. One needs to <b>identify, analyse and address externalities which eat away at the take home pay</b>, such as the high rental prices, regardless of the type of occupation.</li></ol>



Recommendation 13	<p><b>Establishing a high-risk country list for employment applications</b></p> <p><i>Develop a comprehensive list of third countries deemed as high-risk due to security, public policy or public health concerns.</i></p> <p><i>Applications for low-skilled employment from countries on this high-risk list will be categorically refused.</i></p> <p><i>For other employment categories, application will be evaluated individually on a case-by-case basis.</i></p>	<p>TMC agrees with Recommendation 13. However, TMC would like to draw attention to the following.</p> <ol style="list-style-type: none"><li>1. It is important to <b>publish the lists of prohibited third countries and give clear reasons why the country/ies is/are classified as high risk.</b></li><li>2. What about <b>employees from the high risk countries who are already working legally in Malta?</b> Will they be allowed to retain their current employment and what will happen upon their renewal? Will the renewals of the low-skilled be automatically refused? <u>TMC will give its input on this point when clarity is obtained.</u> It is important to avoid rash decisions which may see widespread job losses and business closures across various industries.</li><li>3. What about <b>individuals of high-risk nationality who have resided for a long-term in a low-risk country?</b> Will they still be classified as high risk? If yes, how long should they have resided in the low-risk country and when? <u>TMC will give its input on this point when clarity is obtained.</u></li></ol>
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		<p>4. What about <b>interim residency in low risk countries</b>? Will it impinge on the employment application? Or will the authorities consider only nationality? <u>TMC is of the opinion that spending time in another country in the interim period should not alter the risk assessment.</u></p> <p>5. What about <b>interim residency in high risk countries</b>? Will it impinge on the employment application? If yes, how long should they have resided in the high-risk country and when? Or will the authorities consider only nationality? <u>TMC will give its input on this point when clarity is obtained.</u></p> <p>6. What about <b>dual citizenship</b> where one of the nationalities is a high risk country whereas the other isn't?</p> <p>7. What <b>criteria will be used to evaluate applications on a case-by-case basis</b>? These criteria must be made public so as to provide clarity to the applicant and avoid futile applications.</p>
Recommendation 14	<p><b>A study on skilled-occupation salaries</b></p> <p><i>The study will determine the salary levels across skilled occupations, which will serve as a basis for establishing occupation-specific salary thresholds.</i></p>	<p>1. Transparency is important when conducting the study to determine wage rates. The <b>results of such studies, along with the methodologies used, should be made public to guide market operators effectively.</b></p>



	<i>Employers will be expected to pay TCNs a salary that reflects the market wage for the occupation in which they are hired.</i>	<p>2. Additionally, TMC suggests <b>assessing wage adequacy with respect to the output expected, as well as to identify, analyse and address other externalities which eat away at the take home pay</b>, such as the high rental prices, regardless of the type of occupation.</p> <p>3. During the presentation given at MCESD on the subject matter, the Minister explained that <b>there will not be any fixed market wages</b> nor any imposition on employers to pay any specific wages. The way the policy is worded differs from the explanation given by the Minister and therefore should be rectified.</p> <p>4. The <b>EU Talent Pool should be included, together with Jobsplus and EURES</b>, as one of the official platform to publicize SOL vacancies.</p>
Recommendation 15	<p><b>Victims of human trafficking</b></p> <p><i>TCNs identified as victims of human trafficking and apply for a residence permit shall be exempt from application fees.</i></p>	TMC agrees with Recommendation 15.
<b>SECTION 5.3</b> <b>ALIGNING LABOUR MIGRATION WITH LABOUR MARKET NEEDS</b>		



Recommendation 16	<p><b>Strengthening the vacancy requirement</b></p> <p><i>Prior to applying for the hiring of new TCNs, employers must issue a vacancy that allows sufficient time for Maltese, EEA, Swiss nationals or TCs already in the Maltese job market to apply.</i></p> <p><i>Place 1 job advert with Jobsplus and the EURES portal for a min of 3 weeks within the 2 months preceding the application.</i></p> <p><i>KEI, SEI, the Blue Card Directive and the Skilled Occupation List must advertise for a min of 2 weeks within the 2 months prior to the application.</i></p> <p><i>Exempt:</i></p> <ul style="list-style-type: none"><li><i>• Occupations under the health sector, the care of persons with disability and the care of the elderly are exempt (includes care workers, chemists, pharmacists, doctors, nurses and vets)</i></li></ul>	<ol style="list-style-type: none"><li>1. On this aspect, Jobsplus has the authority to evaluate the reasons given by the employer when rejecting an application from Maltese, EEA or Swiss nationals. The employer has to “<i>provide reasons for their rejection</i>”. <u>TMC would like to understand what is considered to be a valid reason and what wouldn’t qualify as a valid reason.</u> For example, would an unsuitable attitude or cultural fit be considered an invalid reason for rejection? TMC will give its feedback on this point once it is clarified.</li><li>2. This process is likely to increase the hiring cycle, adding further delays to an already lengthy timeline. This is of particular concern for <b>time-sensitive business operations</b> as well as to those who qualify under the <b>KEIs /SEI</b> (typically hold senior positions and/or possess specialised expertise). <u>TMC is proposing eliminating the requirement in their regard, or at least shorten it to 1 week.</u></li><li>3. It is important to have a clear timeframe within which Jobsplus will evaluate the “<i>reasons for rejection</i>” provided by the employer. <u>TMC proposes a timeframe of 1 week maximum from the date of submission of the “reasons for rejection” by the employer.</u></li><li>4. Practicality requires a degree of flexibility. For example, From a practical aspect, if the objective is to recruit an Auditor but a Senior Auditor applies and the job description/salary is tweaked</li></ol>
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	<ul style="list-style-type: none"><li>• <i>Student workers under SL212.18, students at ITS and other higher institutions</i></li><li>• <i>Application recommended and endorsed by ME.</i></li></ul>	accordingly, will the hiring process be <b>restricted to the advertised role, or allow flexibility?</b> <u>TMC believes that reasonable flexibility should be allowed.</u>
Recommendation 17	<p><b>Suitability Check</b></p> <p><i>Jobsplus retains the right to refuse any application that does not provide sufficient evidence of job suitability</i></p> <p><i>Documentation required:</i></p> <ul style="list-style-type: none"><li>• <i>CV (signed by both applicant &amp; employer)</i></li><li>• <i>Certificates, accreditation, recognition</i></li><li>• <i>Regulated occupations must be approved by the regulatory body</i></li><li>• <i>References/testimonials by at least 2 references</i></li><li>• <i>Knowledge of English or Maltese language.</i></li></ul>	<ol style="list-style-type: none"><li>1. With reference to point 2, specifically on “...the applicant must obtain recognition from the Malta Qualifications Recognition and Information Centre”, <u>TMC would like to point out that it is important to ensure that MQRIC processing is efficient and in line with the more efficient SLAs intended to be introduced through this policy for all entities involved.</u></li><li>2. With respect to point 3 where “all regulated professions must be approved by the regulatory body”. <u>TMC is of the opinion that the policy should provide a <b>definition/public list of the “regulated professions” and the corresponding “regulatory body”</b>. Clarity is also required on the process to be adopted by the regulatory bodies and the format of the approval. And what is the expected timeline for obtaining such approval?</u></li><li>3. More clarity is required on point 5 which states as follows: “In the absence of sufficient qualification, interviews might be carried out to determine language skills”. Who will decide whether interviews are</li></ol>



		<p>required or not? On what basis will the decisions be taken? Who will be responsible for conducting the interviews? <u>TMC will give its feedback on this point once it is clarified.</u></p> <p>4. In the absence of an MQRIC qualification, <b>will on-the-job experience be considered?</b> If yes, how and under what circumstances? <u>TMC will give its feedback on this point once it is clarified.</u></p>
Recommendation 18	<p><b>Workforce application limits</b></p> <p><i>Employers are eligible to apply for additional TCNs based on a fixed percentage of their current total workforce. This will be measured at the end of the 12-month period preceding the application.</i></p>	<p>1. TMC agrees with this Recommendation, in principle. However, to avoid significant economic impacts on certain specified industries, <b>a seasonal work permit solution must be implemented.</b></p> <p>2. The method for determining employer workforce size remains unclear. <b>Does it include subcontracted workers via temping/outourcing agencies?</b> <u>TMC is of the opinion that only the workforce on the employer's payroll should be taken into consideration.</u></p> <p>3. With respect to <b>temping/outourcing agencies</b>, how will this be applied, given their reliance on TCNs? In the case of those employing over 250 people, will this policy cap their growth at 25% annually, and provided that employee termination does not constitute 35% or more of their workforce? <u>TMC is of the opinion that the policy should seek to encourage workers on temping arrangements to become employed on full-time basis.</u></p>



		<p>4. <b>Retail and Hospitality should be considered an exception under this recommendation due to its unique operational demands</b> (which include weekends) and reliance on a flexible and diverse workforce.</p> <p>5. The proposed measure <b>could disproportionately impact medium and large firms that rely on significant workforce numbers to sustain operations and scale</b>. Restricting recruitment to 50% and 25% to medium and large sized companies respectively, overlooks sector-specific labour realities, particularly in industries reliant on TCNs due to local and EU talent shortages. <u>TMC insists that a gradual implementation is merited.</u></p> <p>6. There are also certain circumstances that need to be seen to separately, such as when the business's employee pool consists predominantly of <b>highly qualified researchers and scientists in specific niche subjects and which such business operates internationally thereby requiring diverse linguistic and cultural expertise.</b></p>
Recommendation 19	<p><b>Newly-registered businesses</b></p> <p><i>Newly registered businesses will be included labour market testing.</i></p>	<p>TMC agrees, in principle, with Recommendation 19. However, <b>clarity is required on the term “registered business”</b>. TMC is assuming that this extends to limited liability companies, partnerships, self-employed and any other form of business structure. Clarity is also required on the</p>



	<p><i>Newly registered businesses whose ownership does not include Maltese. EU nationals or long-term residents will be excluded from applying for TCNs.</i></p>	<p>minimum % that must pertain to the Maltese/EU national/long-term resident. <u>TMC will give its feedback on this recommendation once clarity is obtained.</u></p> <p>This Recommendation must be <b>analysed within competition law requirements to ensure compliance.</b></p>
Recommendation 20	<p><b>First employment</b></p> <p><i>The first employment should be of Maltese, EU nationality of any other TCN who enjoys equal treatment as Maltese/EU nationals (such as those who are long-term residents or beneficiaries of protection).</i></p> <p><i>There are different thresholds depending on whether the business is a micro, small, medium or large business.</i></p>	<p>1. This <b>Recommendation needs to be defined differently, bearing in mind that Recommendation 18 will kick in from the second year of operation onwards.</b> This Recommendation needs to define what is permissible during the first year of operation over the course of which a company could be shifting from being a micro to small to medium to large. <u>TMC is of the option that the order in which TCNs and Maltese/EU nationals were employed during the first year is irrelevant. Irrespective of size, at least 20% of the workforce needs to be Maltese/EU Nationals/ TCNs who enjoy equal treatment as Maltese EU Nationals (such as those who are long-term residents or beneficiaries of protection) must be employed by year-end.</u></p> <p>2. Clarity is required with respect to “first employment” of a “newly registered business” within a group structure. <u>TMC is of the understanding that a newly registered business will always be considered as such, irrespective of whether it is a separate entity or part of a group.</u></p>



Recommendation 21	<p><b>Minimum number of MT/EU nationals prior to application for TCNs</b></p> <p><i>Employers must have, prior to the application for TCNs, a sufficient number of Maltese, EU nationals, or TCNs who enjoy equal treatment as Maltese/EU Nationals (such as those who are long-term residents or beneficiaries of protection) employed within their organisation.</i></p> <p><i>There are different thresholds depending on whether the business is a micro, small, medium or large business.</i></p>	<ol style="list-style-type: none"><li>1. This <b>Recommendation needs to be defined differently</b>. <u>TMC is of the opinion that it needs to be modelled on TMC's recommendation in Recommendation 20,</u> ie require at least 20% of the workforce needs to be Maltese/EU Nationals/ TCNs who enjoy equal treatment as Maltese EU Nationals (such as those who are long-term residents or beneficiaries of protection) irrespective of size.</li><li>2. TMC notes that "Authorities may entertain requests to temporarily deviate from this condition by seeking justification where necessary...". This <b>justified temporary deviation should help those sectors who find it challenging to reach the thresholds set by this policy</b>.</li><li>3. Clarity is required with respect to this possible scenario. If this requirement is <b>initially met but later lost due to resignations, will the company face penalties and/or be required to get itself in line to retain the TCNs recruited? Or will it be unable to recruit additional TCNs until it meets the set requirements?</b></li></ol>
Recommendation 22	<p><b>Renewal verification</b></p> <p><i>Contingent upon verification that the working conditions as stipulate in the work contract at the time of application are being maintained.</i></p>	<p>TMC agrees with Recommendation 22. TMC agrees with the provision of payslips and FS3. <u>With respect to the presentation of TCN bank statements, TMC would like to suggest that proof that salary has actually been transferred to the employee's bank account should be considered as sufficient proof, ie either the TCN bank statement or</u></p>





	<i>Employers will be required to present TCN bank statements as well as tax declarations</i>	<u>proof that salary has actually been transferred to the employee's bank account.</u>
Recommendation 23	<b>Assessment of shortages and surpluses with the possibility of introducing quotas or moratoriums on surplus occupations</b>  <i>Jobsplus will continue to adopt evidence-based methodologies to analyse the labour market, identifying both overall and sector-specific shortages and surpluses. Based on these findings, it may implement temporary or permanent measures to help re-align the labour market towards equilibrium.</i>	The <b>analysis and its methodology must be publicly available</b> to ensure stakeholder trust and enable informed planning by all parties. <u>TMC believes that the Jobsplus labour market analysis must be completely transparent to and visible for industry. TMC would also like to propose bi-annual review meetings between government and industry to track metrics such as retention and processing times, supported by a transparent public dashboard.</u>
<b>SECTION 5.4</b> <b>SKILLS-BASED APPROACH TO MIGRATION</b>		
Recommendation 24	<b>Skilled-occupation list</b>  <i>This list aims to outline the high skills needed in the Maltese economy and will be used by authorities to streamline certain application processes, including the vacancy requirement, as well as to attract high-net-worth-individuals.</i>	TMC agrees with Recommendation 24. However, <u>TMC would like to point out the following.</u>  <b>1. Not all critical roles align with high salaries or ISCO classifications 1-3.</b> Sectors like retail, hospitality and caregiving rely on vital, hard-to-fill roles excluded from the SOL. <b>Focusing solely on high-skill positions disproportionately impacts these industries,</b> worsening recruitment challenges and creating a mismatch between workforce



		<p>availability and economic needs, jeopardising business sustainability.</p> <p>2. Stricter rules on hiring TCNs in sectors such as <b>the aviation sector</b> risk driving business away. With respect to the aviation sector and other similar sectors, the current framework could be revisited to ensure that it is more aligned towards qualitative growth.</p>
Recommendation 25	<p><b>Reviewing the salary benchmarks for the KEI and SEI</b></p> <p><i>KEI benchmark is set to increase to €45,000 gross annual income.</i></p> <p><i>SEI benchmark is set to rise to €30,000 gross annual income.</i></p>	TMC agrees with Recommendation 25.
Recommendation 26	<p><b>Integration courses prior to arrival in Malta</b></p> <p><i>Pre-departure integration courses through a restructured “I Belong” programme.</i></p> <p><i>Identita` will only issue an approval in principle after the TCN provides documented evidence of completing the mandatory integration course.</i></p>	<p>1. TMC understand the good intentions of this proposal. However, it is <b>unclear how Maltese authorities can effectively monitor and enforce this</b>. <u>TMC believes that more information is required on who will be offering these pre-departure integration courses, how will they be offered, their content, the levels to be achieved, their duration and cost.</u></p>



		<p>2. The “I Belong” courses need not necessarily be done only through government entities/agencies/bodies. <u>TMC believes that private enterprises should be given the opportunity to provide these courses.</u></p> <p>3. “I Belong” should be complemented with a <b>government-provided digital Learning Management System</b> to help TCNs prepare for integration before arriving in Malta. This approach would lower costs for employers and ensure TCNs are adequately prepared to contribute upon arrival.</p> <p>4. How <b>often will these courses be held?</b> <u>TMC is of the opinion that the permit application process should run concurrently with Identità’s verification checks to minimise delays.</u></p> <p>5. It is also important to Introduce <b>mandatory compliance workshops for HR managers</b> covering recruitment, integration, and salary standards.</p>
Recommendation 27	<p><b>Upskilling and integrating the foreign workforce</b></p> <p><i>Applicable primarily to low-skilled.</i></p>	TMC agrees with Recommendation 27.



	<p><i>"I Belong" + further additional schemes could be developed through partnerships with private educational institutions and employers.</i></p> <p><i>Government support via targeted funding mechanisms (such as tax credits).</i></p> <p><i>Key training components:</i></p> <ul style="list-style-type: none"><li>• <i>Language &amp; literacy training</i></li><li>• <i>Vocational Training &amp; Certification</i></li><li>• <i>Integration Courses</i></li><li>• <i>Recognition of Prior Learning &amp; Foreign Qualifications.</i></li></ul>	
<i>Recommendation 28</i>	<p><b>Lowering fees for occupations within the health and care of persons with disability and the elderly</b></p> <p><i>The fee a first time single permit application is proposed to increase to €600. In the case of the health sector and in the care of persons with disabilities and the elderly, the fee will be reduced to €150.</i></p>	<p>TMC agrees with Recommendation 28.</p>



	<i>Renewals will remain at €150.</i>	
Recommendation 29	<p><b>Skills card expansion</b></p> <p><i>Leverage the recent introduction of Skills Card for Hospitality and Catering as a model for other sectors.</i></p> <p><i>Next sector for which a skills card is envisaged is the construction sector.</i></p>	TMC agrees with Recommendation 29.
Recommendation 30	<p><b>Align labour migration policy to the national skills strategy</b></p> <p><i>The National Skills Council's ongoing efforts to identify the skills gaps, both vertical and horizontal, could play a vital role in refining the existing methodologies developed to assess the labour market needs.</i></p>	<p>TMC agrees with Recommendation 30.</p> <p><b>TO NOTE (to avoid duplication of work/effort):</b> An ongoing economic feasibility with respect to extending Skills Card expansion is currently underway by the National Skills Council.</p>
Recommendation 31	<p><b>Strategic Partnerships</b></p> <p><i>Establish tailored MOUs and diplomatic partnerships with other countries.</i></p>	<p>TMC supports the establishment of Memoranda of Understanding (MOUs) with other countries to facilitate labour migration. During the MCESD held on 07<sup>th</sup> January 2025, Government representatives stated that private employment services are “often less motivated to source top talent” and hence it would be seeking less reliance on private employment services – this statement is not correct, and it is unfair to</p>



		<p>put professional and ethical companies in the same basket as those that aren't. <u>TMC would like to highlight that the Strategic Partnership initiative should <b>only</b> benefit those companies that operate ethically and have a proven track record of doing so – this benchmark should also be applicable to recruitment, temping and outsourcing agencies.</u> Exploitative practices in this sector are the result of years of lack of inadequate regulation regulating outsourcing and temping. TMC would like to highlight that professional private recruiters have consistently highlighted the need for regulation and have been proactive in sourcing top talent ethically. Temping and outsourcing agencies have only started being regulated very recently, after repeated requests by The Malta Chamber to address the issue.</p> <p>With respect to the MOUs, <u>TMC would like to highlight that it is important to ensure that agreements consider cultural compatibility, training, and workforce attributes.</u></p>
Recommendation 32	<p><b>Register of exemplary employers – longer renewal periods</b></p> <p><i>Renewal of more than 2 years and up to 4 years.</i></p> <p><i>Aims to prioritize exemplary employers during the permit process.</i></p>	<p>TMC agrees with Recommendation 32. However it is important to have <b>outline clearly the criteria</b> on the basis of which an employer would qualify for inclusion.</p>

## C. CONCLUSION

The Malta Chamber believes that the success of the MLMP depends on three crucial components:

- transparency in recruitment and data,
- efficiency, and
- enforcement.

Without these measures, and unless it is integrated into Malta Vision 2050, the policy will not achieve its full potential.

TCN employment will remain important and TMC would like to see all TCNs being treated equitably, rather than simply as commodities contributing to GDP growth. It is important to evaluate why non-Maltese individuals who are initially attracted, have their expectations fall short and why they leave faster compared to other countries. It appears that authorities often assume that most employers exploit TCNs, which is untrue for honest and hardworking businesses. The Malta Chamber insists that any abusive behaviour from both employers and employees should be addressed and brought to justice without any delay.

The absence of a clear pathway to citizenship for highly skilled TCNs is disheartening too, as it prevents them from truly considering Malta as their home. Without this mechanism, Malta risks being seen merely as a stepping stone to other EU countries with more strategic and welcoming approaches to naturalisation, ultimately hindering efforts to retain top talent. Therefore, a national dialogue is needed to address long-term implications, providing a clear citizenship pathway for foreign workers who contribute significantly to the economy.

Having said that, the policy presents a promising framework, aiming to stabilise the job market and enhance the lives of non-EU employees. While refinements are necessary, its success depends on effective implementation. Achieving a balance between workers' rights, economic demands and societal needs requires steadfast government commitment, thorough monitoring and prompt action to address any loopholes.

From a wider perspective but linked to this strategy, unemployment benefit abuse should be decisively addressed too, while promoting a fair employment system. Reforms should include enhanced eligibility checks to ensure benefits are reserved for genuine job seekers.

The Malta Chamber remains committed to continue collaborating during the post-consultation phase to ensure that the Labour Migration Policy achieves its objectives, supporting a sustainable and inclusive economic future for Malta.



# THE MALTA CHAMBER

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